

SUBTITLE 3. DOOR-TO-DOOR SALES

§ 14-301. Definitions.

- (a) *In general.*- In this subtitle the following words have the meanings indicated.
- (b) *Business day.*- "Business day" means any calendar day except Sunday or the following business holidays: New Year's Day, Washington's Birthday, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans' Day, Thanksgiving Day, and Christmas Day.
- (c) *Consumer goods and services.*- "Consumer goods" and "consumer services" mean:
- (1) Goods or services purchased, leased, or rented primarily for personal, family, or household purposes; and
 - (2) Courses of instruction or training regardless of the purpose for which they are taken.
- (d) *Door-to-door sale.*-
- (1) "Door-to-door sale" means a sale, lease, or rental of consumer goods or consumer services under single or multiple contracts with a purchase price of \$25 or more, in which:
 - (i) The seller or his representative personally solicits the sale, including a solicitation in response to or following an invitation by the buyer; and
 - (ii) The buyer's agreement or offer to purchase is made at a place other than the place of business of the seller.
 - (2) "Door-to-door sale" does not include a transaction:
 - (i) Made pursuant to prior negotiations in the course of a visit by the buyer to a retail business establishment which has a fixed permanent location where the consumer goods are exhibited or the consumer services are offered for sale on a continuing basis;
 - (ii) In which the consumer may rescind under the provisions of the federal Consumer Credit Protection Act or any regulation adopted under the Act;
 - (iii) In which the buyer has initiated the contact and the goods or services are needed to meet a bona fide immediate personal emergency of the buyer, and the buyer furnishes the seller with a separate dated and signed personal statement in the buyer's handwriting which describes the situation that requires immediate remedy and expressly acknowledges and waives the right to cancel the sale within three business days, and the seller in good faith makes a substantial beginning of the performance of the contract;
 - (iv) Conducted and consummated entirely by mail or telephone, without any other contact between the buyer and the seller or its representative before delivery of the consumer goods or performance of the consumer services;
 - (v) In which the buyer has initiated the contact and specifically requests the seller to visit his home to repair or perform maintenance on the buyer's personal property, except that, if, in the

course of the visit, the seller sells the buyer the right to receive any additional consumer services or consumer goods, other than replacement parts necessarily used to perform the maintenance or to make the repairs, the sale of the additional consumer goods or consumer services is not within this exclusion; or

(vi) Which pertains to the sale or rental of real property, to the sale of insurance, or to the sale of securities or commodities by a broker-dealer registered with the Securities and Exchange Commission or with the Division of Securities of this State.

(e) *Person*.- "Person" includes an individual, corporation, business trust, estate, trust, partnership, association, two or more persons having a joint or common interest, or any other legal or commercial entity.

(f) *Place of business*.- "Place of business" means the main or permanent branch office or local address of a seller.

(g) *Purchase price*.- "Purchase price" means the total price paid or to be paid for the consumer goods or consumer services, including all interest and service charges.

(h) *Sale*.- "Sale" means a door-to-door sale.

(i) *Seller*.- "Seller" means a person engaged in the door-to-door sale of consumer goods or consumer services.

[An. Code 1957, art. 83, § 28; 1975, ch. 49, § 3.]

§ 14-302. Unlawful practices.

It is an unfair or deceptive trade practice within the meaning of Title 13 of this article for a seller to:

(1) Fail to furnish the buyer with:

(i) A fully completed receipt or copy of any contract which pertains to a door-to-door sale at the time of its execution, which is in the same language as that principally used in the oral sales presentation, shows the date of the transaction, and contains the name and address of the seller; and

(ii) A statement which is in immediate proximity to the space reserved in the contract for the signature of the buyer or, if a contract is not used, is on the front page of the receipt and which, in boldface type of a minimum size of 10 points, is in substantially the following form:

"You, the buyer, may cancel this transaction at any time prior to midnight of the third business day after the date of this transaction. See the attached notice of cancellation form for an explanation of this right.";

(2) Fail to furnish the buyer, at the time he signs the door-to-door sales contract or otherwise agrees to buy consumer goods or consumer services from the seller, a completed form in duplicate, captioned "Notice of Cancellation", which:

(i) Is attached to the contract or receipt and is easily detachable; and

(ii) Contains in 10 point boldface type the following information and statements, in the same language as that used in the contract:

"Notice of Cancellation

(Enter date of transaction)

(Date)

You may cancel this transaction, without any penalty or obligation, within three business days from the above date.

If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within 10 business days following receipt by the seller of your cancellation notice, and any security interest arising out of the transaction will be canceled.

If you cancel, you must make available to the seller at your residence, in substantially as good condition as when received, any goods delivered to you under this contract or sale; or you may, if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk.

If you do make the goods available to the seller and the seller does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation. If you fail to make the goods available to the seller, or if you agree to return the goods to the seller and fail to do so, then you remain liable for performance of all obligations under the contract.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice, or send a telegram, to

(name of seller)

(address of seller's place of business)

....., at

not later than midnight of (date)

I hereby cancel this transaction.

..... (date)

.....
(Buyer's signature)";

(3) Fail, before furnishing copies of the "Notice of Cancellation" to the buyer, to complete both copies by entering the name of the seller, the address of the seller's place of business, the date of the transaction, and the date, not earlier than the third business day following the date of the transaction, by which the buyer may give notice of cancellation;

(4) Include in any door-to-door sales contract or receipt any confession of judgment or waiver of any of the rights to which the buyer is entitled under this section, including specifically his right to cancel the sale in accordance with the provisions of this section;

(5) Fail to inform the buyer orally, at the time he signs the contract or purchases the consumer goods or consumer services, of his right to cancel;

(6) Misrepresent in any manner the buyer's right to cancel;

(7) Fail or refuse to honor any valid notice of cancellation by a buyer and, within 10 business days after the receipt of that notice, to:

(i) Refund all payments made under the contract or sale;

(ii) Return, in substantially as good condition as when received by the seller, any goods or property traded in;

(iii) Cancel and return any negotiable instrument executed by the buyer in connection with the contract or sale and take any action necessary or appropriate to terminate promptly any security interest created in the transaction;

(8) Negotiate, transfer, sell, or assign any note or other evidence of indebtedness to a finance company or other third party before midnight of the fifth business day following the day the contract was signed or the consumer goods or consumer services were purchased;

(9) Fail, within 10 business days of receiving a buyer's notice of cancellation, to notify him whether the seller intends to repossess or to abandon any shipped or delivered goods;

(10) Solicit a sale or order for sale of goods or services at the residence of a prospective buyer, without clearly, affirmatively and expressly revealing at the time the person initially contacts the prospective buyer, and before making any other statement, except a greeting, or asking the prospective buyer any other questions:

(i) The identity of the person making the solicitation.

(ii) The trade name of the person represented by the person making the solicitation.

(iii) The kind of goods or services being offered.

(iv) And, the person making the solicitation shall, in addition to meeting the requirements of paragraphs (i), (ii), and (iii), show and display identification which states the information required by paragraphs (i) and (ii) as well as the address of the place of business of one of the persons identified; or

(11) To use any plan, scheme, or ruse in soliciting a sale or order for the sale of goods or services at the residence of a prospective buyer, which misrepresents the solicitor's true status or mission for the purpose of making the sale or order for the sale of goods or services.

[An. Code 1957, art. 83, § 29; 1975, ch. 49, § 3; 1976, ch. 156; 1988, ch. 6, § 1; 1989, ch. 5, § 1; 2005, ch. 25, § 13.]

§ 14-303. Cancellation of sale.

If the seller violates any provision of [§ 14-302 of this](#) subtitle, the buyer may cancel the door-to-door sale by notifying the seller in any manner and by any means of his intention to cancel.

[An. Code 1957, art. 83, § 30; 1975, ch. 49, § 3.]

§ 14-304. Civil liability.

Any person who violates any provision of this subtitle is liable to the person affected by the violation for all damages proximately caused by the violation and for reasonable attorney fees incurred by the person damaged.

[An. Code 1957, art. 83, § 31; 1975, ch. 49, § 3.]

§ 14-305. Penalty.

Any person who willfully violates any provision of this subtitle is guilty of a misdemeanor and, in addition to the injunctive relief provided for in Title 13, Subtitle 4 of this article, on conviction is subject to a fine of not more than \$1,000 or imprisonment of not more than one year or both.

[An. Code 1957, art. 83, § 31; 1975, ch. 49, § 3.]
